

Insights into SA employment - Pnet's Job Market Trends Report

The official unemployment rate has shown a slight improvement in the first quarter 2022, decreasing from 35.3% (Q4 2021) to 34.5%. This glimmer of recovery is reflected in Pnet's 2022 Job Market Trends Report, which is based on empirical data sourced from Saongroup South Africa's online recruitment platforms, representing a combined database of over 5 million registered jobseekers.



Image source: scyther5 – [123RF.com](https://www.123RF.com)

The impact of Covid-19 on the economy and the job market could not have been predicted, but the demand for labour is now looking more positive.

Looking back at 2020

During the second quarter of 2020, just after the pandemic started, hiring activity decreased by a staggering 35%. And while job search activity also decreased noticeably during the first national lockdown in March 2020, jobseekers began regaining confidence between June and October that year. This increase in job search activity can likely be explained by employees who had lost their jobs during early 2020 now looking for new jobs. Another factor could be the pent-up job search energy from those who had planned to look for a new job before Covid, and those who had decided to seek new opportunities during the hard lockdown.

The Great Resignation

A further increase in job search activity became evident between January and August 2021 and between December 2021 and March 2022, as the economy began to stabilise. This can be partly attributed to the growing global trend being referred to as the 'Great Resignation', from which South Africa is not immune. An increasing number of employees are feeling dissatisfied with their jobs, looking for better work-life balance, salaries, and flexibility. Concerns over possible exposure to COvid-19 have also contributed to increased job search activity.



Trends driving transformation are not new, but newly urgent

Lyndy van den Barselaar 16 May 2022



Current signs of recovery

Pnet's research reveals that the number of vacancies in the South African job market is now reaching record highs. Two years after the start of the pandemic, hiring activity has steadily increased, and is now up 18% from March 2020 to March 2022. The first quarter of 2022 also showed an 8.5% increase in job openings compared to the last quarter of 2021. This is not only likely to boost the confidence of candidates seeking new employment, but it is also a significant indicator of returning business confidence.

The remote work migration

The Covid-19 pandemic has resulted in a new 'work-from-home' economy, as it necessitated far greater flexibility over where, when, and how employees work. 'Flexible', 'hybrid', and 'remote' work models are now firmly embedded in the employment landscape, and the South African job market is showing a growing number of remote work opportunities. Pnet's report found that remote job offers have more than tripled since the first quarter of 2021. The roles with the most remote job opportunities are currently in information technology, business & management, and admin, office & support.

Employment opportunities by sector

Jobseekers in various occupations are seeing dramatically improved employment prospects compared to two years ago. In the first quarter of 2022, the sectors experiencing an increased demand for talent are: medical & health (130%); security & emergency services (128%); manufacturing & assembly (125%); and legal (120%). Employment opportunities have also increased by over 100% within the design, media & arts sector, as well as the science & technology; information technology; admin, office & support; restaurant, hospitality & cleaning; and maintenance & repair sectors.



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Regional labour demand

In the first quarter of 2022, Gauteng's job offers accounted for more than 50% of the overall labour demand in South Africa. Vacancies in the Western Cape and KwaZulu-Natal made up another 30% of the national demand for labour. Gauteng and the Western Cape both showed a high demand for IT skills. Across all regions, candidates with business and management expertise are highly sought after, and there is also a relatively high demand for finance and admin, as well as office & support staff.

Looking forward

With increased hiring and job search activity, and returning business confidence, South Africa's job market and economy may be on a positive trajectory. Data-driven recruitment platforms are also helping companies better identify, understand, and retain quality talent – which in turn helps jobseekers find jobs that are right for them quicker. Traditional hiring is doubtlessly undergoing a revolution, and with it comes new opportunities for employers and employees alike.

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